



**Livestock and Seed Program
Audit, Review, and Compliance Branch
Quality System Audit Report**

Applicant: Organic National & International Certifiers
Program : National Organic Program - Accreditation for Organic Certification
Organizations - Desk Audit
Location(s): Los Angeles, CA
Audit Date(s): January 12, February 3 – 6, 23 and March 17, 2004
Audit File Number: NP4015OA
Action Required: Yes
Auditor(s): Darrell Wilson
Contact & Title: Gay Timmons – Certification Manager
E-mail Address: gayt@mac.com

AUDIT ACTIVITIES

On the above dates, a representative of the USDA, AMS, LS, Audit, Review and Compliance (ARC) Branch conducted a review of documents submitted by Organic National and International Certifiers (ON&I) of Los Angeles, CA, for compliance to the USDA, AMS 7 CFR Part 205, National Organic Program, Final Rule. The audit documentation is on record for review (NP4015OA Audit Documentation).

ON&I is a new certification body requesting accreditation under the National Organic Program (NOP). ON&I has applied for accreditation on crops, livestock, wild crops and handling operations. ON&I estimate they will have 5 to 10 applicants per quarter the first year. ON&I is not ISO 65 accredited at this time.

ON&I states that they use only the USDA-NOP regulations to determine certification status. All applicants are provided a client packet which consists of a screening questionnaire, client certification policies, labeling – information for handlers, affidavit – all applicants, administrative application – all applicants, fee schedule and USDA–NOP organic regulations.

ON&I has submitted a fee schedule which gives adequate detail of the fee structure. The fees listed are reasonable for an organic certification company.

ON&I's Internal Certification Policy and Procedure lists job descriptions for the Owner/CEO, Certification Manager, Application Reviewer, Inspectors and Inspection Reviewer. At the present time, there are three employees, Certification Manager, Application Reviewer and an Inspector, which will be involved with the certification process. Resumes for these three individuals and the CEO were submitted for review. Resume for the CEO does not indicate any experience in Agriculture. The certification manager will be training the CEO and 8 other rabbis over the next 2 to 3 years to take over the operation of the organic certification process. Most of the CEO's expertise is in the food processing industry. The CEO's responsibility within ON&I is to oversee the Certification Manager. There are four clerical/staff members that will be handling the filing and clerical issues. They will not be involved with the certification decision process.

Signed confidentiality and conflict of interest forms were submitted for the Certification Manager, Application Reviewer and Inspector. Ms. Gay Timmons, Certification Manager, owns an organic consulting company. Material submitted in response to initial report indicated that the only consulting done is with CCOF. A letter was submitted stating that co-owners Howard L. Sharfman, President & CEO, and David M. Roth, EVP & CFO, have no financial, family or owned interest in any business that produces or sells certified organic products.

When an application is received, it is assigned to a reviewer to determine that it is complete and meets the NOP requirements. Labels must be submitted with the application and are reviewed and signed off on by the reviewer. Once the application is complete, including any additional information requested, an inspector is assigned. At the present time, the reviewer and inspector may be the same person. Once the onsite inspection is completed, it is presented to the Certification Manager or other qualified personnel to make the final decision. At the present time the Certification Manager and Reviewer/Inspector will rotate the final decision, assuring not to make final decision on a file which they reviewed and/or inspected. The person designated to make the final decision uses the Record of Verification to verify the decision is based on the standards. A certificate is issued within a reasonable time containing all the proper information.

FINDINGS

Application materials submitted indicate that ON&I has policies and procedures to function as a certifying agent under the NOP. One continuous improvement point (CIP) non-compliance was identified during the review.

NP4015OA.NC1 – CIP - 205.301 (e) - (1) A raw or processed livestock feed product sold, labeled, or represented as “100 percent organic” must contain (by weight or fluid volume, excluding water and salt) not less than 100 percent organically produced raw or processed agricultural product. (2) A raw or processed livestock feed product sold, labeled, or represented as "organic" must be produced in conformance with § 205.237. ***Procedures could not be found for verifying livestock feed sold, labeled, or represented as 100% organic at handling operations.***

RECOMMENDATIONS

I recommend that ON&I be granted initial approval to become an organic certifying agent under the NOP with the condition that the non-compliance is adequately addressed in a timeframe specified by the NOP. At least three certification files should be submitted to the NOP for review as clients are certified to the NOP Standards by ON&I. An on-site audit should be conducted by the USDA for verification of NOP procedures and records.